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Health Care Authority
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Public Employees
Benefits Board
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Open enrollment starts soon—go online for provider and account information

Whether or not you wish to change your plan next year, you will want to read about the changes to your Public Employees Benefits Board (PEBB) coverage starting in 2006. We will mail all retirees a personalized packet with 2006 information, forms, and a *Retiree Open Enrollment Guide* before open enrollment (October 24–November 30). You can also go online to PEBB's Web site at www.pebb.hca.wa.gov for tools and services to help you make the best plan choices for next year.

Finding providers

PEBB's Web site has a Provider Directory to help you find a primary care provider, women's health care provider, hospital, or pharmacy that contracts with your plan. If you're changing medical plans, you'll also be able to find the physician/clinic code for your provider, clinic, or care system as required on the 2006 Retiree Open Enrollment/Change form or online using e-Coverage.

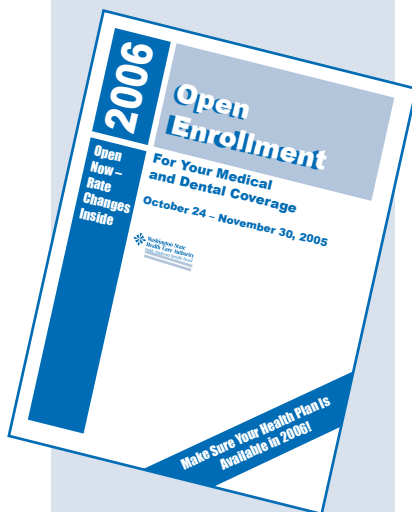


Before choosing a provider from the online Provider Directory, be sure to call the medical plan to verify:

- Provider availability in your county;
- A provider's participation with the plan to serve PEBB members; and
- That a provider is accepting new patients.

Making plan changes

If you wish to change your medical or dental plan for 2006, or defer coverage, you may be able to do so online using e-Coverage. During open enrollment, e-Coverage allows you to change your plans as many times as you wish. The last changes received by PEBB on November 30 will be your final selection for 2006. Note: You may not enroll in some plans or Medicare Part D using e-Coverage.



Be sure to watch for your 2006 open enrollment packet in the mail!

Important dates

October 24–November 30

2006 open enrollment—your chance to change medical and/or dental plans, and add family members to your coverage.

October 25

Open enrollment benefits fairs begin. Look for the schedule on pages 6–7.

November 30

Open enrollment ends—last day to make changes using e-Coverage or the enrollment form.

All changes are effective January 1, 2006. For more information, go to www.pebb.hca.wa.gov or attend a benefits fair in your area.



Changes to your 2006 coverage

Open enrollment is your once-a-year opportunity to change health plans and add eligible family members to your coverage. Be sure to read your open enrollment materials.

Plan change

Premiera Blue Cross will offer a new Medicare Supplement Plan J with no prescription-drug coverage in 2006.

The current Medicare Supplement Plan J (with prescription-drug coverage) will be available only to current Plan J members in 2006.

Medicare Part D— a new Rx option

If you are enrolled in Medicare Parts A and/or B, you have a new option through the federal government to receive prescription-drug benefits in 2006—Medicare Part D.

If you want to continue your enrollment in a PEBB managed-care plan, UMP PPO, UMP Neighborhood, or a PEBB Medicare Advantage plan in 2006, do nothing.

If you choose to enroll in Medicare Part D and want to continue your PEBB coverage, you must either enroll in Medicare Supplement Plan E or the new Medicare Supplement Plan J (without prescription-drug coverage) for 2006. We will automatically enroll any family members covered under your PEBB account but not eligible for Medicare in the UMP PPO.

New medical plan premiums

Medical plan premiums have changed. Refer to your personalized 2006 open enrollment booklet for information.

If you or a covered family member is enrolled in Medicare, the state contribution paid toward your medical plan premium will increase to \$131.87 for 2006.

Benefit changes

Several UMP PPO and UMP Neighborhood benefits will change in 2006.

Changes include:

- Same network benefits for services received outside of Washington and Oregon (UMP PPO only)
- Increased annual out-of-pocket maximum of \$1,500 per individual and \$3,000 per family
- Opportunity for a one-time \$30 premium rebate for healthy lifestyle and use of preventive-care services
- Separate massage therapy benefit with a 16-visit limit (removed from the physical, occupational, and speech therapy benefit)
- 10% enrollee coinsurance for Tier 1 (generic) prescriptions filled at retail network pharmacies
- Increased enrollee cost-share maximum of \$75 (up to a 30-day supply) for Tier 1 (generic) and Tier 2 (preferred brand-name) drugs purchased at a network retail pharmacy

- Increased enrollee copayment of \$100 for up to a 90-day supply of Tier 3 (nonpreferred brand-name) drugs filled through mail order
- Vision exams covered once per year (up from every two years)
- No annual medical/surgical deductible (UMP Neighborhood only)

Rule changes

Several rule changes and clarifications were made and incorporated into PEBB's materials:

- When a health plan becomes unavailable (see Washington Administrative Code [WAC] 182-08-196);
- When enrollees may change plans (see WAC 182-08-198); and
- Eligibility for students and dependents with disabilities (see WAC 182-12-260).

More information about these changes can be found in your upcoming *Retiree Open Enrollment Guide*.

You can find these WACs on PEBB's Web site or on the Office of the Code Revisor's Web site at slc.leg.wa.gov.

You may find the Public Employees Benefits Board's existing laws in chapter 41.05 of the Revised Code of Washington (RCW), and rules in chapters 182-04, 182-08, 182-12, 182-13, and 182-16 of the Washington Administrative Code (WAC). These are available on the Office of the Code Revisor's Web site at slc.leg.wa.gov.



Where to go for help

Not sure who to contact when you have a question? Here are some guidelines:

Contact your health plan for:

- Benefit information
- Referral and preauthorization requirements
- Obtaining a certificate of coverage
- Provider information (including changing your primary care provider)
- I.D. cards
- Complaints and appeals not related to eligibility

Health plan phone numbers are shown in your upcoming 2006 open enrollment packet.



Contact PEBB at 1-800-200-1004 for:

- Eligibility information
 - Changes in eligibility
 - Account updates
 - Complaints and appeals related to eligibility
 - Payment information and method of payment
- Contact Medicare at 1-800-633-4227 or www.medicare.gov for:
- Medicare Part D information, including eligibility
 - Medicare prescription-drug plans in your area

The Statewide Health Insurance Benefits Advisors (SHIBA) can also help you with your Medicare Part D questions. You may contact SHIBA at 1-800-562-6900.

Getting your questions answered

When you call the PEBB program at 1-800-200-1004, our phone system will help you get your questions answered as quickly as possible.

Press 1 first to identify yourself as a retiree or COBRA retiree;

Then press 1 again for enrollment, payment, or life insurance information;

Or stay on the line to talk with a benefits specialist.



Questions and answers

Here are some questions you might have about changes to your PEBB coverage in 2006, and their answers.

What is Medicare Part D?

Medicare Part D is a voluntary federal program that will provide partial coverage for most outpatient prescription drugs starting January 1, 2006. The program will be administered by the Centers for Medicare and Medicaid Services (CMS). CMS will contract with private prescription-drug plans that agree to provide Part D coverage.

If I enroll in Medicare Part D next year, can I keep my PEBB coverage?

If you enroll in Medicare Part D in 2006:

- You can choose to enroll in PEBB's Medicare Supplement Plan E or the new Medicare Supplement Plan J for 2006. These plans do not have

prescription-drug coverage, and will supplement Medicare Parts A, B, and D.

- You cannot be enrolled in a PEBB managed-care plan, UMP PPO, UMP Neighborhood, or a PEBB Medicare Advantage plan.

Note: If you are currently enrolled in Medicare Supplement Plan J, you may keep your same Plan J coverage in 2006 or select UMP PPO or one of the managed care plans. However, if you choose to enroll in Medicare Part D next year, you must decide whether to enroll in Medicare Supplement Plan E or the new Plan J (without prescription-drug benefits) to maintain your PEBB coverage.

If I sign up for Medicare Part D, will it lower my PEBB premium?

No. Unlike Medicare Parts A and B, your PEBB coverage will not coordinate

Let us know about your Medicare coverage

If you or a covered family member is about to turn 65, you must send a copy of the Medicare card for the family member who will be turning 65 to PEBB Benefit Services. If you are entitled to Medicare, you must enroll in Parts A and B if you want to keep your PEBB coverage.

If you or a covered family member is entitled to Medicare Parts A and B after 24 months of Social Security Disability, please send a copy of the Medicare card, regardless of age.

prescription-drug benefits with Medicare Part D. Part D coverage provides an alternative to your prescription-drug coverage through PEBB. Only you can decide which plan's benefits and costs are the best option for you.

What's the difference between the current Medicare Supplement Plan J and the new Plan J?

Both the current Medicare Supplement Plan J and the new Medicare Supplement Plan J are administered by Premier Blue Cross. The main difference is that the current Plan J has prescription-drug benefits, and the new Plan J will not. The monthly premiums will also be different.

Why did my monthly premium increase so much?

Each medical plan's monthly premium is determined by PEBB claims data from 2004 and early 2005, and the anticipated cost risks based on current enrollment. Also, there are differences in how each plan is administered, from how much it pays its providers to how much it costs to run its operations.

When evaluating medical plans' rates, the PEBB and its actuaries look at each plan's financial statements (as reported annually to the Office of the Insurance Commissioner), administrative costs, and other factors. If the HCA determines that a plan's rate is too high, then it negotiates with the plan to seek a lower rate.

We appreciate your patience during open enrollment!

During open enrollment, we receive approximately three times as many phone calls as the rest of the year. If our benefits specialists are helping other members when you call, please be patient. A benefits specialist will answer your call as soon as possible.

Reminders about choosing a provider

- Call the health plan you choose for 2006 to verify that your provider(s) will be participating with the plan to serve PEBB members.
- If your doctor, dentist, or health care facility discontinues participation in your plan, you may not change plans until the next open enrollment period, with coverage effective the first of the following year.
- Both the Uniform Dental Plan and DeltaCare are administered by Washington Dental Service (WDS). If you choose one of these dental plans, be sure that you choose a WDS-contracting dentist who participates with your plan.

To find out more about PEBB health plans, visit a benefits fair in your area. The times and places are listed to the right. Maps to the fairs are also available online at www.pebb.hca.wa.gov.

For more information on the PEBB program, you'll want to attend a retiree presentation (times and places are printed in bold to the right).



New for 2006!

Health & Wellness Fairs are incorporated into all scheduled benefits fairs. Health plan representatives at the Health & Wellness Fairs will provide educational and/or preventive services at little or no cost, as well as offer tips on how to take advantage of the plans' preventive care benefits and wellness opportunities. Community resources will also be featured.

Benefits fairs schedule

Bellingham

November 15, 2005

10 a.m. to 2 p.m.

Western Washington University
Viking Union
Multipurpose Room
516 High Street

Retiree presentation

11 a.m. to 12 p.m.

**Fairhaven Commons
Chart Room**

Bremerton

October 31, 2005

10 a.m. to 2 p.m.

Olympic College
Bremer Student Center
North and South Conference Rooms
1600 Chester Avenue

Retiree presentation

11 a.m. to 12 p.m.

**College Service Center
Board Room**

Cheney

November 2, 2005

10 a.m. to 2 p.m.

Eastern Washington University
PUB Multipurpose Room
Elm Street

Retiree presentation

11 a.m. to 12 p.m.

PUB Rooms 204 & 205

Ellensburg

October 26, 2005

10 a.m. to 2 p.m.

Kittitas County Fairgrounds
Fine Arts Building
512 North Poplar

Retiree presentation

11 a.m. to 12 p.m.

Heritage Center

Everett

November 4, 2005

10 a.m. to 2 p.m.

Everett Community College
Jackson Center, Jackson Conference
Room 2000
Tower Street

Retiree presentation

11 a.m. to 12 p.m.

Multipurpose Room

Lacey

November 7, 2005

10 a.m. to 2 p.m.

Saint Martin's University
Worthington Conference Center
5300 Pacific Avenue SE

Retiree presentation

11 a.m. to 12 p.m.

Theatre

Longview

November 9, 2005

10 a.m. to 2 p.m.

Lower Columbia Community College
Student Center
1600 Maple

Retiree presentation

11 a.m. to 12 p.m.

Center Stage Theatre

Moses Lake

November 3, 2005

10 a.m. to 2 p.m.

Big Bend Community College
1800 Building, Room C/D
7662 Chanute Street NE

Retiree presentation

11 a.m. to 12 p.m.

Room A/B

Mount Vernon

November 16, 2005

10 a.m. to 2 p.m.

Skagit Valley Community College
Student Lounge
2405 East College Way

Retiree presentations

11 a.m. to 12 p.m./12:30 to 1:30 p.m.

Annex Building Board Room

Olympia

November 3, 2005

10 a.m. to 2 p.m.

Dept. of Transportation, Lobby
310 Maple Park

Pasco

November 7, 2005

10 a.m. to 2 p.m.

Pasco Red Lion Hotel
Olympic Room
2525 North 20th Avenue

Retiree presentation

11 a.m. to 12 p.m.

Gold Room

Port Angeles

November 1, 2005

10 a.m. to 2 p.m.

Peninsula College, Room J-47
1502 East Lauridsen Boulevard

Retiree presentation

11 a.m. to 12 p.m.

Room A-12

Pullman

November 9, 2005

10 a.m. to 3 p.m.

Washington State University
French Administration and
Lighty Building

Stadium Way & Wilson Road

Retiree presentation

11 a.m. to 12 p.m.

Gladish School

Old Library, 3rd floor

Seattle

October 25, 2005

10 a.m. to 4 p.m.

University of Washington
UW Medical School & Health Sciences
Lobbies
1959 Northeast Pacific

October 26, 2005

10 a.m. to 4 p.m.

UW Seattle Campus
Student Union Bldg. (HUB),
West Ballroom
Stevens Way

Retiree presentation

1:30 to 2:30 p.m.

HUB Room 108

October 27, 2005

10 a.m. to 4 p.m.

Harborview Medical Center
Research & Training Building, 1st Floor
325 Ninth Avenue

Shoreline

November 2, 2005

10 a.m. to 2 p.m.

Shoreline Conference Center
Shoreline Room
18560 1st Avenue NE

Retiree presentation

11 a.m. to 2 p.m.

Highlander Room

Spokane

November 1, 2005

10 a.m. to 2 p.m.

Spokane Falls Community College
Student Union Building #17
Lounge A, B, C

3410 West Fort George Wright Drive

Retiree presentation

2 p.m. to 3 p.m.

Music Auditorium

Building 15

(continued on next page)

Open Enrollment

October 24 – November 30, 2005

This is the time to review your health coverage and make changes for the 2006 calendar year.

Premiums have changed, so please review the new retiree rates for your plan, even if you don't expect to make changes for 2006.

To obtain this document in another format or to request special accommodations, call our Americans with Disabilities Act (ADA) Coordinator at 360-923-2805. TTY users (deaf, hard of hearing, or speech impaired), call 360-923-2701 or call toll-free 1-888-923-5622.

Benefits fairs *(continued)*

Tacoma

November 18, 2005

10 a.m. to 2 p.m.

Tacoma Community College
Student Center, Building 11
6501 South 19th Street

Retiree presentation

11 a.m. to 12 p.m.

Theatre, Building 3

Tumwater

November 14, 2005

10 a.m. to 2 p.m.

Labor & Industries - Auditorium
7273 Linderson Way SW

Walla Walla

November 8, 2005

10 a.m. to 2 p.m.

Walla Walla Community College
Conference Center 185,
Rooms A, B & C
500 Tausick Way

Retiree presentation

11 a.m. to 12 p.m.

Dining Room

Wenatchee

October 27, 2005

10 a.m. to 2 p.m.

Red Lion Wenatchee
Columbia Room
1225 North Wenatchee Avenue

Retiree presentation

11 a.m. to 12 p.m.

Wenatchee/Chelan Room

Yakima

October 28, 2005

10 a.m. to 2 p.m.

Yakima Clarion Hotel
Wapato Room
1507 North 1st Street

Retiree presentation

11 a.m. to 12 p.m.

Selah Room

Vancouver

November 10, 2005

10 a.m. to 2 p.m.

Clark College
Gaiser Student Center
1800 East McLoughlin Boulevard

Retiree presentation

11 a.m. to 12 p.m.

**Central Gaiser Conference
Room**

**Open Enrollment is
Coming Soon!
October 24 - November 30, 2005**

HCA 51-575 (10/05)
Washington State
Health Care Authority
Public Employees Benefits Board
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Olympia, WA 98504

